

DLA “Independent Review”

Under the New OMB A-76 Circular

Presentation to DLA A-76

Conference

June 10, 2004

Previous Role

- Old OMB Circular Required Independent Review
- Certifies:
 - MEO Capability
 - MEO Costs
 - Process and Compliance
- **Very** In-Depth Review
- Focus on Resolution of Issues
- Post MEO Review

Background

- New OMB Circular Does Not Require “Independent Review”
- Circular Does Not Require Post-Award Reviews
- Circular Does Not Prohibit IRs/Post-Award Reviews
- Timeline Discourages IRs/Post-Award Reviews

Determination

- DLA will Continue Independent Reviews and Post Award Reviews
- The Nature and Approach of These Reviews Will Change

Components

- **Two Components**
 - “Independent Review” of MEO
 - Post Performance Accountability Review

Post Performance Review

- Performance Accountability Emphasized in New Circular
 - Type of Monitoring Not Specified
- Good Management Practice/Decisions
- Help Withstand Audits, Reviews, Inquiries
- Audit-Like – Independence Required

Post Performance Review

- **Government MEO**
 - Cost
 - Performance
 - Deviations

- **Commercial Contractor**
 - Performance
 - Contract Modifications
 - Administration

Post Performance Review

- **Mandatory** – after 1 year full performance
- **Optional** – thereafter
- Products – Draft and Final Management Reports w/Recommendations
 - Draft Report – 30 days after commencement
 - Final Report to Requiring Activity

Decisions Pending

- Post Performance Accountability Reviews
 - MEO/**Vendor**
 - Optional Reviews

Action Pending

- Post Performance Accountability Review Handbook

Guidance

Mods and Deviations

- PWS is a target – it will change during execution
- **Mods/Deviations** allowed for changes in business requirements or workload
 - Commercial Contractor – **Mods**
 - MEO - **Deviations**

Guidance

Mods and Deviations (suggested)

- Business Requirements or Workload
 - **Modification** – allowable **additive** cost adjustment
- Avoidance of Mission Failure
 - **Deviation** – **non-additive** cost adjustment

Questions?

